

**Fill in this information to identify your case:**

United States Bankruptcy Court for the:

SOUTHERN DISTRICT OF TEXAS

Case number (if known)

Chapter

7☐ Check if this an amended filing

## Official Form 201

**Voluntary Petition for Non-Individuals Filing for Bankruptcy**

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name Koontz-Wagner Custom Controls Holdings LLC

2. All other names debtor used in the last 8 years

Include any assumed names, trade names and *doing business as* names

3. Debtor's federal Employer Identification Number (EIN) 26-3104210

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of business

6510 Bourgeois Rd.  
Houston, TX 77066-3110

Number, Street, City, State & ZIP Code

P.O. Box, Number, Street, City, State & ZIP Code

Harris

County

Location of principal assets, if different from principal place of business

Number, Street, City, State & ZIP Code

5. Debtor's website (URL) \_\_\_\_\_

6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

☐ Partnership (excluding LLP)

☐ Other. Specify: \_\_\_\_\_

Debtor **Koontz-Wagner Custom Controls Holdings LLC**  
Name

Case number (if known)

**7. Describe debtor's business****A. Check one:**

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

**B. Check all that apply**

- ☐ Tax-exempt entity (as described in 26 U.S.C. §501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

**C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.**  
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

**8. Under which chapter of the Bankruptcy Code is the debtor filing?****Check one:**

- ☒ Chapter 7
- ☐ Chapter 9
- ☐ Chapter 11. *Check all that apply:*

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**

- ☒ No.
- ☐ Yes.

If more than 2 cases, attach a separate list.

District	_____	When	_____	Case number	_____
District	_____	When	_____	Case number	_____

**10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?**

- ☒ No
- ☐ Yes.

List all cases. If more than 1, attach a separate list

Debtor	_____	Relationship	_____
District	_____	When	_____
		Case number, if known	_____

Debtor **Koontz-Wagner Custom Controls Holdings LLC**  
Name

Case number (if known)

**11. Why is the case filed in this district?***Check all that apply:*

- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

**12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?**☐ No☒ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.**Why does the property need immediate attention? (Check all that apply.)**☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? \_\_\_\_\_

☒ It needs to be physically secured or protected from the weather.☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).☐ Other \_\_\_\_\_**Where is the property?** \_\_\_\_\_

Number, Street, City, State &amp; ZIP Code

**Is the property insured?**☒ No☐ Yes. Insurance agency \_\_\_\_\_

Contact name \_\_\_\_\_

Phone \_\_\_\_\_

**Statistical and administrative information****13. Debtor's estimation of available funds***Check one:*

- ☐ Funds will be available for distribution to unsecured creditors.
- ☒ After any administrative expenses are paid, no funds will be available to unsecured creditors.

**14. Estimated number of creditors**☐ 1-49☐ 50-99☐ 100-199☒ 200-999☐ 1,000-5,000☐ 5001-10,000☐ 10,001-25,000☐ 25,001-50,000☐ 50,001-100,000☐ More than 100,000**15. Estimated Assets**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☐ \$1,000,001 - \$10 million☒ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion**16. Estimated liabilities**☐ \$0 - \$50,000☐ \$50,001 - \$100,000☐ \$100,001 - \$500,000☐ \$500,001 - \$1 million☐ \$1,000,001 - \$10 million☒ \$10,000,001 - \$50 million☐ \$50,000,001 - \$100 million☐ \$100,000,001 - \$500 million☐ \$500,000,001 - \$1 billion☐ \$1,000,000,001 - \$10 billion☐ \$10,000,000,001 - \$50 billion☐ More than \$50 billion

Debtor **Koontz-Wagner Custom Controls Holdings LLC**  
Name

Case number (if known) \_\_\_\_\_

**Request for Relief, Declaration, and Signatures****WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**17. Declaration and signature  
of authorized  
representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on **July 11, 2018**  
MM / DD / YYYY**X /s/ Timothy M. Howsman**  
Signature of authorized representative of debtor  
  
Title **Vice President, Finance****Timothy M. Howsman**  
Printed name**18. Signature of attorney****X /s/ Mark E. Andrews**  
Signature of attorney for debtorDate **July 11, 2018**  
MM / DD / YYYY**Mark E. Andrews 01253520 (TX State Bar No. 01253520)**  
Printed name**Dykema Gossett PLLC**  
Firm name**Comerica Bank Tower**  
**1717 Main Street Suite 4200**  
**Dallas, TX 75201**  
Number, Street, City, State & ZIP CodeContact phone **(214) 462-6400** Email address **mandrews@dykema.com****01253520 TX**  
Bar number and State

**WILLIAMS INDUSTRIAL SERVICES GROUP INC. (THE “COMPANY”)  
ON BEHALF OF ITSELF  
AND  
AS MANAGER FOR  
KOONTZ-WAGNER CUSTOM CONTROLS HOLDINGS LLC (“KOONTZ-WAGNER”)**

**Proposed Board Resolutions [TO BE INSERTED INTO BOARD MINUTES THAT  
WILL PROVIDE MORE CONTEXT TO SITUATION]**

**July 9, 2018**

***Koontz-Wagner Chapter 7 Bankruptcy Proceeding***

**WHEREAS**, the Company is the sole manager of its wholly-owned subsidiary, Koontz-Wagner;

**WHEREAS**, Koontz-Wagner has been experiencing financial difficulties and other challenges, and in an effort to address those issues, commenced a process to identify strategic alternatives that would facilitate the continued operation of the Koontz-Wagner business;

**WHEREAS**, the process of identifying strategic alternatives for the continued operation of the Koontz-Wagner business has concluded without a successful result and Koontz-Wagner is insolvent and unable to pay its debts as they mature;

**WHEREAS**, the Company established an independent working group (the “*Koontz-Wagner Working Group*”) comprised of management of Koontz-Wagner and the Company, in each case, to identify and evaluate alternatives to address Koontz-Wagner’s financial difficulties and other challenges, solely from the perspective of the best interests of Koontz-Wagner, and present a recommendation to the Board;

**WHEREAS**, the Koontz-Wagner Working Group completed its review and analysis of various alternatives in accordance with the Company’s directives as stated above and submitted a recommendation to the Board, for the benefit of the Company in its capacity as manager of Koontz-Wagner, that the Company authorize and direct Koontz-Wagner to file a petition for relief under Chapter 7 of Title 11 of the United States Code as soon as possible;

**WHEREAS**, the Board reviewed the materials presented by the Koontz-Wagner Working Group, the management and the legal advisers of the Company regarding the liabilities and liquidity situation of Koontz-Wagner, the strategic alternatives available to Koontz-Wagner, the Koontz-Wagner Working Group recommendation that Koontz-Wagner commence a Chapter 7 bankruptcy proceeding as soon as possible, and the impact of the foregoing on Koontz-Wagner and other interests;

**WHEREAS**, the Board has had the opportunity to consult with the Koontz-Wagner Working Group, the management and the legal advisers of the Company and fully consider the strategic alternatives available to Koontz-Wagner and the Koontz-Wagner Working Group recommendation that Koontz-Wagner commence a Chapter 7 bankruptcy proceeding as soon as possible; and

**WHEREAS**, the Board believes that it is in the best interests of Koontz-Wagner for Koontz-Wagner to file a voluntary petition under Chapter 7 of Title 11 of the United States Bankruptcy Code with the United States Bankruptcy Court for the Southern District of Texas.

**NOW, THEREFORE, BE IT RESOLVED**, that the Company, solely in its capacity as manager of Koontz-Wagner, authorizes and directs Koontz-Wagner to file as soon as practicable a bankruptcy proceeding in accordance with Chapter 7; and

**RESOLVED FURTHER**, the Company, solely in its capacity as manager of Koontz-Wagner, authorizes directs, and designates Tracy D. Pagliara, President and Chief Executive Officer of the Company, to cause the

Company to immediately provide the authorization and direction to Koontz-Wagner to commence a Chapter 7 bankruptcy proceeding as soon as possible.

***Amendment to the Centre Lane Credit Agreement***

**WHEREAS**, in connection with the proposed Koontz-Wagner Chapter 7 bankruptcy proceeding, the Company has determined that it is advisable and in the best interests of the Company to enter into a Consent and Fifth Amendment (the “*Centre Lane Amendment*”) to the certain Senior Secured Credit Agreement, dated as of June 16, 2017, as amended and restated through the date hereof, between the Company, as borrower, with each financial institution thereto as lender, Centre Lane Partners Master Credit Fund II, L.P., as administrative agent and collateral agent for the lenders, and guaranteed by certain subsidiaries of the Company (the “*Credit Agreement*”), to address, among other things, the filing of the commencement of the proposed Koontz-Wagner Chapter 7 bankruptcy proceeding;

**WHEREAS**, the Centre Lane Amendment also extends the date of a certain mandatory prepayment under the Credit Agreement to April 1, 2020 and makes certain other changes to the Credit Agreement, in each case subject to the terms and conditions of the Centre Lane Amendment; and

**WHEREAS**, the Board has determined that it is advisable and in the best interests of the Company to approve the Centre Lane Amendment.

**RESOLVED**, that the Centre Lane Amendment and the transactions contemplated thereby be, and the same hereby are, authorized and approved in all respects;

**RESOLVED FURTHER**, that any officer of the Company (each such person, an “*Authorized Officer*”) be, and each of them hereby is, authorized and empowered to execute and deliver the Centre Lane Amendment, including all exhibits and schedules attached thereto, in the name and on behalf of the Company with such additions, deletions or changes therein (including, without limitation, any additions, deletions, or changes to any schedules or exhibits thereto) as the Authorized Officer executing the same shall approve (the execution and delivery thereof by any such Authorized Officer to be conclusive evidence of his or her approval of any such additions, deletions or changes); and

**RESOLVED FURTHER**, that the Company be, and hereby is, authorized and empowered to perform all of its obligations under the Centre Lane Amendment and the Credit Agreement.

***Form 8-K***

**WHEREAS**, in connection with the commencement of the Chapter 7 bankruptcy proceeding by Koontz-Wagner and the Centre Lane Amendment, the Company intends to file a Current Report on Form 8-K (the “*Form 8-K*”) with the U.S. Securities and Exchange Commission (the “*SEC*”) disclosing certain information relating to such matters.

**RESOLVED**, that the Form 8-K, in the form presented to the Board of the Company, be, and it hereby is, approved by for filing with the SEC, subject to changes considered necessary and appropriate by the Company’s management.

***Miscellaneous***

**RESOLVED**, that the officers and agents of the Company and Koontz-Wagner, as the case may be, be, and each of them hereby is, authorized, empowered, and directed to do or cause to be done all other acts, and to prepare, execute, deliver, file, and perform such further documents, instruments, certificates, and agreements, or any amendments or supplements thereto, as such officer may deem necessary, proper, or appropriate to effect the purposes of these resolutions contemplated hereby; and

**RESOLVED FURTHER**, that all actions taken by any officer of the Company and Koontz-Wagner in furtherance or pursuance of these resolutions, or any document, instrument, certificate, or agreement, or any amendment or supplement thereto, whether taken previously or subsequently hereto, are hereby authorized, approved, adopted, and ratified in all respects.